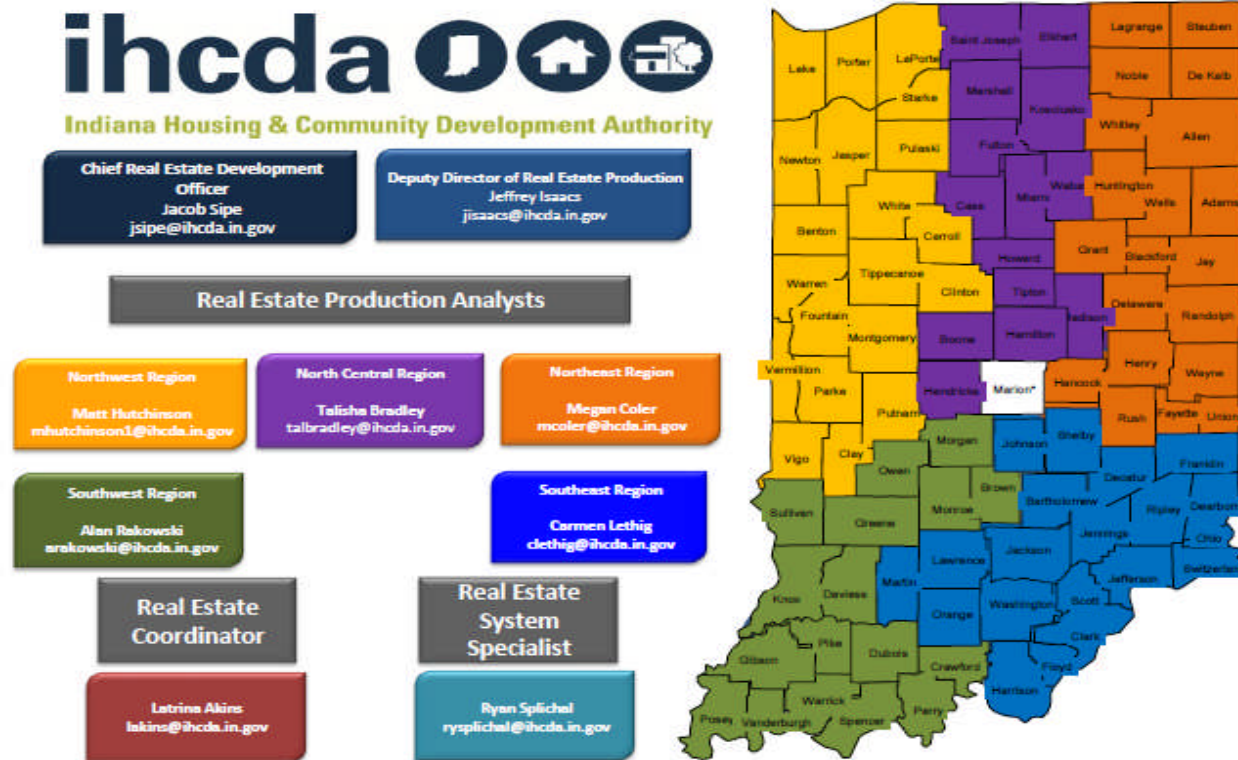


Weatherization/Owner-Occupied Rehabilitation Program Workshop

April 11, 2012

STAFF INTRODUCTIONS - Production



*NOTE: Marion County is handled by all Production Staff

STAFF INTRODUCTIONS – KEY STAFF

Key Program Staff

Adrienne Schmetzer – **Design and Construction Review Manager** – Release of Funds Process

Becky Richardson – **Funds Management Specialist** – Set Ups/Claims/Closeout

Dana Williams – **Funds Management Associate** – Set Ups/Claims/Closeout

Matt Rayburn – **Compliance and Asset Manager** – Closeout/Monitoring

Mike Recker – **Senior Compliance Auditor** – Closeout/Monitoring

Devyn Smith – **Compliance Auditor** – Closeout/Monitoring

Brian Philps – **Special Projects and Business Development Manager**

WX/OOR SURVEY

In early 2012, IHCDa requested feedback on the Weatherization/OOR program done in conjunction with ARRA funding. From a total of 17 respondents, you told us:

- Based on an 18-month award period, what would be a reasonable timeframe to place an expenditure benchmark?
 - **14 Respondents suggested 12 months (82.4%)**
- Was the amount of subsidy sufficient for addressing pre-existing conditions that caused Wx deferral?
 - 7 Respondents – YES (41.2%)
 - **10 Respondents – NO (58.8%)**
- What amount would you suggest for a per unit subsidy?
 - 6 suggest \$15k
 - 2 suggest \$20k
 - 1 suggest \$35k
 - 1 suggest we allow an avg of \$10k

WX/OOR SURVEY

- Was sufficient training provided regarding this program?
 - **11 Respondents – NO (64.7%)**
 - 6 Respondents – YES (35.3%)

- What training is most needed?
 - Environmental Review
 - “Before start of program, have in depth training on any new changes and spell them out”
 - Direction on lead remediation in homes...a checklist of items to be sent to IHCD for set up and claims process.
 - A checklist of what to do when. A checklist of what is due to IHCD and when.
 - ER, Funds Management and income verification
 - A clear set of guidelines at the beginning of the program would be beneficial. Agencies should have a list of staff to contact for different aspects of the program (for example, Advertising funds prior to release, ER, Lead Paint, Inspections, Claims, Claim Documentation, requirements for Final Closeout). Depending on who is contacted, the answers vary. We all want to do a good job and be compliant, but we are not always confident of what we need to do.



Indiana Housing & Community Development Authority

WX/OOR SURVEY

■ Please briefly describe the Pros and Cons of your organization's participation in the Wx/OOR program?

- Pros

- Being able to assist homeowners we might not be able to
- Providing work for local contractors
- All pros...no cons
- These families have no way to pay for needed repairs and not only does the family benefit but the neighborhood and community are improved as well.
- Able to use existing staff to coordinate with our weatherization program and therefore leverage additional dollars.

- Cons

- The ER
- Staffing changes
- Not enough \$\$\$ per home
- Program started during a very busy ARRA period and we felt rushed to get things done in a hurry.

WX/OOR SURVEY

Cons cont'd

- Amount of paperwork involved in each home address. Impedes timeliness of expanding grant funds and is overall drain of administrative staff and time. Admin funds provided aren't close to being enough to pay for the admin staff time needed to effectively administer this grant.
- Admin, Lead-Based Paint, and Program Delivery amounts were not enough to cover expected work
- We required match to get work done due to 10,000 limit, which created waiting for approval of other funding. The requirement to hire a licensed home inspector was a waste of money. Their training is not for determining rehab, nor pricing it out. No knowledge of lead. We had to go behind each job and rewrite the specs and do cost analysis. Throw into the mix an auditor, too and too many opinions on what work should be done and to what extent. The bookkeeper resigned before doing a draw and had not put it together correctly. He was the office staff who took the training for the draw. We turned in entire grant at once. Very difficult to get correct and very difficult for the IHCD staff. We apologize. Our contractors are very upset as some jobs have been done for over 150 days.

WX/OOR SURVEY

- Briefly describe Pros and Cons of program overall?
 - Pros
 - Pleased with program. IHCD staff...everyone was very helpful
 - No LRCA
 - No problems...all pros
 - Staff intensive but we have trained staff to overcome any barriers
 - Cons
 - Paperwork is very time consuming
 - Subsidy per home not sufficient. Would like to see a range of \$15-\$18k
 - This funding source does not seem to be a good fit for small, scattered-site home repairs
- If offered again, how likely is your organization's continued participation in this program?
 - **Extremely Likely – 11 respondents (64.7%)**
 - **Very Likely – 3 respondents (17.6%)**
 - Moderately Likely – 1 respondent
 - Slightly Likely – 1 respondent
 - Not at all – 1 respondent



Indiana Housing & Community Development Authority

WX/OOR SURVEY

■ Additional Comments

- Needed assistance with the ER early on in the program and couldn't get it. That set us back several months.
- Housing stock in our area is not good at all which creates many challenges
- Our clients were extremely pleased to have their homes repaired PLUS getting the benefits of having the home weatherized. These vulnerable clients could never afford to pay for this work themselves.
- We are really reaching the poor with this program and look forward to doing again.
- I think it was a great program and hope to have it again as we are now deferring a larger percentage of Wx. homes.
- We need to know if CSBG funds could be used to supplement the admin staff time for this program.
- First use of CDBG since 2008, the staff that dealt with CDBG is gone. This was a completely new experience for current staff. We have spent a lot of time learning the program and would expect a second round to go much smoother. .

FUNDING AVAILABILITY

Set aside of \$4,000,000 in CDBG-D funds has been committed to the continuation of this program

The following counties will not be eligible for funding through this program:
Blackford, Clinton, Delaware, Howard, LaGrange, Miami, Tipton, Warren, Wells, and Steuben

There will be no Development Fund dollars available for use with this program.

APPLICATION SUBMITTAL

Applicants will be allowed to apply for program funding using IHCD's Strategic Investment Process (SIP)

<http://www.in.gov/ihcda/3119.htm>

Interested organizations may submit applications between **April 30 and May 14th, 2012**

Award recommendations will be presented to the IHCD Board of Directors on June 28, 2012

QUICK REFERENCE NOTES

- 18-Month Award Term - Grant

- No Match/Leveraging requirement

- SIP Process – customized application forms provided

- Benchmarks

- Income – 80% AMI or below (Section 8, Part 5 definition)

- Priority given to elderly 62 or older, disabled, health/safety, child under 18

- Only CDBG-D Eligible Counties

- Rehabilitation, lead-based paint, environmental review, and program delivery combined cannot exceed \$12,000 per unit.

- IHCDA will entertain requests to exceed the per unit subsidy limitations. In addition, any unit receiving assistance in excess of \$12,000 will be required to record a lien/restrictive covenant on the property for a period of 3 years.



Indiana Housing & Community Development Authority

HOW THE CDBG-D FUNDS WORK WITH WX

The proposed CDBG-D funding is intended to assist with addressing **pre-existing conditions** in a home to be served with DOE funding.

All homes to be assisted must be supported by a deferral form/write up. CDBG-D funds must only address the items listed that caused the deferral from Weatherization services.

SCOPE OF WORK

Eligible Rehabilitation Activities include, but are not limited to:

- Hard costs associated with rehabilitation activities;
- Mold remediation;
- Lead-based paint interim controls and abatement costs;
- Accessibility modifications, as part of the required rehabilitation; and
- Replacement of gas ranges/stoves (allowable only if the gas range/stove is a health/safety issue and is non-repairable using DOE funds).

Ineligible Costs:

- Rehabilitation of homes located within the boundaries of the 100-year floodplain.
- Threats outside of the scope of typical construction activities, such as insect or rodent infestation.
- Rehabilitation of rental units.

SCOPE OF WORK

Ineligible Costs cont'd:

- Application completion and preparation
- Purchase or installation of luxury items, such as swimming pools.
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers. Allowable exceptions to this prohibition, however, include stoves and refrigerators.
- Funds spent on a house that is not brought to the stricter of the Indiana State Building Code or local rehabilitation standards must be returned to HCDA.

APPLICABLE FEDERAL REGULATIONS

All federal regulations and program rules are outlined in the [Strategic Investment Program Award Implementation Manual](#).

CDBG-D funds disbursed through this program will be regulated by the regulatory requirements listed in [24 CFR Part 570](#).

Environmental and Historic Review

Lead-Based Paint

Uniform Relocation Act

Citizens Participation

Duplication of Benefits

ENVIRONMENTAL REVIEW

Recipients of CDBG-D awards are required to perform an environmental review on all assisted properties. Applicants may not begin work on any property to be assisted with CDBG or funds until the environmental review process has been completed.

- Environmental Review Phase I – entire project
- ERR Phase II – site specific
- Both phases must be completed prior to Release of Funds (ROF) from IHCD

For the regulatory requirements of environmental and historic review found in [24 CFR Part 58](#), see the Environmental Review User Guides or contact the IHCD Environmental Officer at (800) 872-0371 for further guidance.

Environmental Review User's Guides

<http://www.in.gov/ihcda/3099.htm>

LEAD BASED PAINT

Recipients of a CDBG award are subject to the HUD requirements of dealing with lead-based paint hazards required by 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. The limit for costs associated with lead hazard testing (Risk Assessment, Clearance Test, etc.) is \$800-\$1,000 per unit.

UNIFORM RELOCATION ACT

"Each award recipient shall provide for reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance received under this title..." as required under the **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, as amended, and Federal implementing regulations at 49 CFR Part 24 and the requirements of **Section 104(d) of Title I of the Housing and Community Development Act of 1974**, as amended.

Temporary

Permanent – N/A

Economic – N/A

Note: For Wx/OOR, focus will be on temporary displacement.

CITIZENS PARTICIPATION

Requirement – Two Public Hearings

Prior to final application submission and at **completion of all CDBG-D activities** for this award

A legal notice must be published to announce the meeting with minutes from the hearing retained for review at monitoring. It is acceptable to conduct the hearing during any regularly held public meeting, such as a town council meeting,

Required documentation:

Original Publisher's Affidavit for hearing notice

Copy of minutes

Copy of sign-in sheet

Transcript of any comments/complaints and responses provided

Must be submitted with Part II application. Hearing must be conducted in each county to be served.

Please see Policy Guide – Appendix B for details.

DUPLICATION OF BENEFITS

- The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act), prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source.
- A Duplication of Benefits situation would occur if a household received funds from FEMA, Insurance, SBA. Or another source to fix damage caused by the disaster, and then also applied for and received funding under the CDBG-D program for the same purpose, to make repairs or replace the damaged home.
- Applicants are required to verify the amount received from other sources, and also how those funds were used to ensure duplication of benefits will not occur.
- The amount of assistance provided to the applicant must be reduced by the amount of assistance received from other sources (FEMA, SBA, Insurance, etc.) for the same need, repair, or loss.
- **Each recipient must ensure that each beneficiary assisted under this program executes a Duplication of Benefits affidavit.**

Indiana Housing & Community Development Authority
Duplication of Benefits Affidavit ("Affidavit")

I/We, _____, affirm the following:

1. I/We own real property at _____
(City/Town), Indiana (the "Residence").
2. I/We is/are executing this Affidavit in connection with the rehabilitation of the Residence by _____ (Organization) through a homeowner rehabilitation project funded under the Indiana Housing and Community Development Authority's ("IHCD's") Weatherization/Owner-Occupied Rehabilitation Program (the "Program").
3. I/We have received or will receive the following amounts and types of assistance for rehabilitation of the Residence, structural repair of the Residence or replacement housing:

Insurance (Flood Insurance, Homeowner's, etc.) \$ _____

Federal Emergency Management Agency (FEMA) \$ _____

Small Business Administration (SBA) Loan \$ _____

The American Red Cross (Red Cross) \$ _____

Other agencies (besides IHCD) \$ _____
4. I/We have received no other assistance funds in the form of for rehabilitation of the Residence, structural repair of the Residence or replacement housing other than that set forth above in paragraph 3.
5. 42 U.S.C. 5155(a) prohibits federal agencies from providing assistance to any person for "any part of such loss" as to which he has received financial assistance under any other program or from insurance or any other source (such as, FEMA, SBA, Insurance, etc.).
6. I/We understand that the amount of assistance received by I/We from IHCD must be reduced by the amount of assistance received or will be received for rehabilitation of the Residence, structural repair of the Residence or replacement housing, from other sources (such as, FEMA, SBA, the Red Cross, homeowner's insurance, etc.) for the same purpose.
7. Therefore, I/We understand that if I/We receive assistance from a source other than IHCD (such as, FEMA, SBA, the Red Cross, homeowner's insurance, etc.) for the rehabilitation of the Residence, structural repair of the Residence or replacement housing, I/We must repay the assistance received from IHCD.
8. I/We certify under State and Federal penalties for perjury and fraud that the information provided above is true and accurate and acknowledge that repayment of all assistance received by Me/Us from IHCD, payment of fines and/or imprisonment may be required in the event that I/We provide false, incomplete or misleading information in this Affidavit or during the rest of this process.

Property Owner _____

Signature of Property Owner _____ Date _____

Property Owner _____

Signature of Property Owner _____ Date _____

Note: The Duplication of Benefits (DOB) Affidavit can be found within your Wx/OOR Policy Guide – Appendix C

FUNDS MANAGEMENT OVERVIEW

Funds Management Training is MANDATORY for all recipients prior to obtaining a Release of Funds from IHCDA. This training will cover:

Set Up and Completion Reports
Submitting Claims (using IHCDA online)
Completion of Closeout documentation
Quarterly Reporting

Upcoming Funds Management Training

Date: Friday April 13, 2012

Time: 1:00 PM - 2:00 PM EDT

Registration Link - <https://www2.gotomeeting.com/register/518591330>

Check Compliance page periodically for upcoming Funds Management Trainings in May and following months

<http://www.in.gov/ihcda/3099.htm>

AWARD BENCHMARKS

In conjunction with the SIP application process, the following benchmarks have been established for this program.

<u>PROCESS</u>	<u>% OF UNITS at 6 Mo's</u>	<u>% OF UNITS @ 12 Mo's</u>
ER Phase II	30% of the award should be setup	60%
Work Complete	25% should have all work done on building	50%
Inspection	20% must have inspection by IHCD	50%
Claim	0% must be drawn	60%

All recipients will be required to complete a full Compliance Training conducted by IHCD staff prior to a Release of Funds. This includes all areas of compliance as well as Funds Management.

OTHER TRAINING NEEDS

Other Federal Requirements and standard program rules may or may not be applicable to the the Wx/OOR program.

Please contact your Regional Representative to inquire about training on:

Davis Bacon (Labor Standards)

Conflict of Interest

Procurement

Section 3

Income Verification

Other??

MANDATORY Award Implementation/Compliance Training...**July 11, 2012 @**
INCAA – 1pm to 4pm

THANK YOU!

